THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) The present stake in equity capital of Maruti Udyog Ltd. (MUL) held by Government of India is 49.74%. Government, at this stage, has decided to offer shares on a rights basis to existing shareholders with a renunciation option for the Government in favour of Indian Financial Institutions and/or Suzuki Motor Corporation (SMC). Government has invited Suzuki Motor Corporation for negotiations on the principles of fixation of rights issue price, respective proportion of renunciation in favour of Indian Financial Institutions and/or Suzuki Motor Corporation, renunciation premium and control premium to be paid by SMC.

Disinvestment of ITDC Hotels

1483. SHRI V.V. RAGHAVAN:
SHRI J. CHITHARANJAN:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government have initiated the process for disinvestment of some ITDC Hotels in the third round including Ashok Kovalam Beach Resort;

(b) if so, the details thereof;

(c) whether it is also a fact that Government have received representations against the sale of Ashok Kovalam Beach Resort;

(d) if so, the details thereof and Government's reaction thereto;

(e) whether it is also a fact that some palace land and property were acquired for the construction of Kovalam Beach Resort; and

(f) if so, Government's plan to use this property?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) The decision regarding disinvestment of Kovalam Ashok Beach Resort, a unit of India Tourism Development Corporation Ltd. (ITDC) has been taken by the Government in accordance with the recommendations of the Disinvestment Commission, as accepted by the Government. Advertisement inviting Expressions of Interest from

the prospective bidders for this Resort has been issued on 01.01.2002 alongwith the other units of ITDC proposed to be disinvested in the 3rd tranche.

(c) Yes, Sir.

(d) Representations have been received from the employees of Kovalam Ashok Beach Resort against disinvestment of the Resort on the grounds of security, policy on disinvestment and interest of employees. All these aspects will be taken care of by the Government while finalising the transaction.

(e) and (f) As per available information, the land of the Resort was acquired by the Government of Kerala in the late sixties and was subsequently handed over to the Government of India, Department of Tourism/ITDC. ITDC started operating this property as a resort in 1972. In terms of the disinvestment plan in respect of the hotel properties of ITDC, the Resort would be demerged into a separate company having shadow shareholding pattern as that of ITDC for the purpose of disinvestment of 100% of Government's equity in favour of a buyer to be selected through the disinvestment process.

Financial Bids for PSUs

1484. SHRIMATI VANGA GEETHA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have invited financial bids for privatising a number of PSUs;

(b) if so, the names of the PSUs and the procedure adopted to invite financial bids for these PSUs; and

(c) the details of procedure followed to fix the reserve price for these PSUs?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Government has invited financial bids for disinvestment in Hindustan Zinc Ltd. The procedure to invite financial bids includes, *inter-alia*, the following steps: seeking expression of interest from qualified bidders, data room visits and